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MEMORANDUM FOR THE RECORD

18 January 1955

SUBJECT: The General Mark Clark Task Force

1. Mr. Houston briefed Colonel Miller and Mr. McGruder on the Office of the General Counsel during the morning. The discussion covered two main areas:

- a. The organization, responsibilities and functions of the General Counsel's Office itself;
- b. The legislative authority under which CIA operates and the proper interpretation thereof.

2. With respect to the General Counsel's Office, both Colonel Miller and Mr. McGruder expressed great satisfaction over the fact that its duties were apparently restricted to the actual legal aspects of Agency activities. They both indicated disapproval of agencies where the General Counsel is the alter ego of the Director and participates in policy determinations.

3. Surprise was expressed at the smallness of the General Counsel's staff. Mr. Houston explained that this was possible because much of the legal guidance needed for CIA operations was necessarily and advisedly provided by consultant or fee attorneys selected to work directly for or with cover organizations and companies. Colonel Miller vigorously explored the possibility that it might be more economical to use Government employee attorneys. Mr. Houston, however, effectively explained that geographic dispersion, security requirements and the vast range of legal specialization needed precluded satisfaction of our needs for legal competence by Government attorneys only.

4. Colonel Miller was greatly interested in CIA's legislative liaison. He stressed the need for a legislative counsel who was personable, well liked and influential with Members of Congress. Mr. Houston assured him that with a few exceptions, our relationships had been excellent and that Mr. Pforzheimer was politically minded and experienced. Colonel Miller inquired whether there was a legislative "understudy," to which Mr. Houston replied that he himself was in effect the "overstudy" if needed.

5. A rather lengthy discussion then took place at Colonel Miller's instigation as to how a retired officer could work for CIA without loss of retirement pay. Citation of our limited special legislative authority was not adequate, and a full exposition of all of the varied circumstances of

retirement and subsequent Government employment was necessary. I would judge that either Colonel Miller has a personal interest in Government employment or that there have been charges of improper practices by CIA.

6. Colonel Miller then brought forth the National Security Act and began a most illuminating interrogation. He commenced by referring to section 102d, 3, 4, and 5 and he asked Mr. Houston to provide him with a "legal document related to the activities being performed by CIA." He explained that he had no difficulty interpreting CIA's right to collect, evaluate and disseminate intelligence related to national security, but he had difficulty in finding the authority for all of the activities performed by CIA. The discussion was very disconnected and complicated, but significant statements and questions included:

- a. "Does Congress know the extent of your cold war activities?"
- b. "Cold war was never heard of when this legislation was passed. A few Members of Congress have been authorizing these expenditures - perhaps illegally."
- c. "Have there been any complaints from other IAC Agencies regarding cold war activities?"
- d. "Will the 'Agreed Activities Paper' be used to revise NSC directives?"
- e. "What is the meaning of the phrase in section 102, 3 'relating to the national security?' Actually departmental intelligence relates to national security. Does CIA feel that it can draw the line (geographic) between combat intelligence responsibilities of a field commander and CIA's responsibilities?"
- f. "Do you feel that any one of armed services can collect, evaluate and disseminate intelligence as it sees fit to fulfill its needs?"
- g. "On what authority does the DCI issue directives implementing NSCIDs? Why don't we let IAC agencies issue implementing directives instead of the DCI? Would this not assure his opposition?"
- h. "Is the DCI one over many or the coordinator for all? Any legal opinions on this? Could I get a paper on this? Does the DCI have dictatorial powers?"
- i. "For the purpose of coordinating he (DCI) can do certain things only. This does not include issuing DCIDs."

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7. The preceding quotations, taken out of full context and away from Mr. Houston's replies, sound hostile, but they actually weren't presented in such a manner. They were presented calmly and apparently sincerely by Colonel Miller. In turn, Mr. Houston handled the situation most excellently, with complete composure and the atmosphere was entirely harmonious. At one point Colonel Miller said "I'll be very frank. I have an opposite legal interpretation" (of CIA's legislative authority).

8. Another time Colonel Miller said "I'll be frank, but I don't want it to go out of this room. There are people who want to destroy CIA."

9. The windup of this very involved discussion was that Mr. Houston was asked to prepare a paper setting forth his legal interpretation of section 102d, 3, 4 and 5 and to supply various background documents, including the "Donovan Plan" and the "Lovett Paper." In addition, the answers to the following two questions were requested:

a. Can CIA require other people to stay out of certain collection activities?

b. Does "coordination" give CIA "control" over who does what?

10. Enroute to lunch, Colonel Miller explained that he considered it most important to get a formal legal opinion from the General Counsel in order to pinpoint differences in legislative interpretation.

11. In the afternoon the survey of the Comptroller's Office commenced. The Comptroller gave an excellent and almost uninterrupted briefing. At the very beginning, however, Colonel Miller asked whether the Comptroller "acted as a Comptroller in the normal sense? Do you conduct overall management activities? Do you have any control over the Management Staff or the Commercial Division?" After further explanation of the position of the Comptroller in CIA, Colonel Miller asked "Isn't this a rather strange organization - the Comptroller only a part of one of the components?"

12. At the conclusion of the Comptroller's presentation, Colonel Miller stated that he estimated Mr. Saunders' responsibilities to constitute about 50 percent of those of a normal Comptroller. Mr. Saunders replied that his estimate would be closer to 80 percent and that in an organization such as CIA the operators often felt his office was already exercising too much control.

13. Both Colonel Miller and Mr. McGruder were extremely interested in the subject of financial and other management reports, the use to which they were put, and by whom. Specifically, Colonel Miller asked [redacted] Chief of the Program Analysis Staff, and myself to "fix up a bundle" of financial and statistical reports issued by the Comptroller's Office which will give the Task Force the best available comparative data on CIA's

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activities. He indicated that this should include the 1954 year end report and the most recent quarterly report, the Fiscal Year 1955 budget pie chart, a listing of the Comptroller's end product publications indicating purpose, frequency and distribution. I will refer this request to the Comptroller tomorrow



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